

Exhibit 25
Christie's Appraisal Agreement

CHRISTIE'S APPRAISALS, INC.

DATE: 09 August 2013

THIS AGREEMENT is between the City of Detroit c/o Kevyn Orr, Emergency Manager with an office located at Coleman A. Young Municipal Center, 2 Woodward Avenue – Suite 1126, Detroit, MI 48226 ("Owner") and CHRISTIE'S APPRAISALS, INC. with offices at 20 Rockefeller Plaza, New York, N.Y. 10020 ("Christie's")

We confirm our agreement as follows:

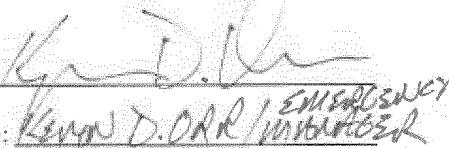
1. This fair market value appraisal is to be made for the following purpose: Financial Planning (the "Appraisal")
2. Christie's will furnish a written appraisal of certain property (the "Property") on behalf of Owner, who represents and warrants to Christie's that Owner has free, clear and marketable title to the Property. Christie's may, at its sole discretion, deliver an electronic version of the Appraisal in addition to delivering hard-copies. The Appraisal data may only be used by the aforementioned parties and for the specific purpose for which it was requested. Owner acknowledges that i) the data will be kept in Owner's safekeeping and ii) Christie's accepts no responsibility for any alteration which may be made to the Appraisal after it is supplied to Owner. Such Appraisal represents Christie's opinion as to the value of the Property, but Christie's makes no representation or warranty with respect to the authenticity, authorship, period, culture, source, origin, provenance, description or condition thereof. This Appraisal is not furnished, and may not be relied upon by anyone, in connection with any purchase, sale or exchange of the Property or any other commercial transaction relating thereto. Christie's makes no representation or warranty that the Property will realize its appraised value upon subsequent sale at public auction or otherwise. The Appraisal will be conducted in accordance with Exhibit A to this Agreement.
3. Please see Exhibit A for a description of the fees for this Appraisal (the "Fee").
4. In the event that Owner requests Christie's to provide further documentation to the U.S. Internal Revenue Service or other services relating to an investigation or proceeding by the U.S. Internal Revenue Service, Christie's agrees to furnish such supplementary documentation or services for a fee which shall be determined on the basis of the additional work to be performed.
5. Owner hereby agrees not to call upon Christie's, any of its affiliates or any of their respective officers, directors, employees or agents to testify with respect to Christie's valuation or appraisal of the Property or to involve Christie's, any of its affiliates or any of their respective officers, directors, employees or agents in any manner whatsoever in any proceeding, litigation or dispute with respect thereto; provided, however, that Christie's will defend its valuation or appraisal of the Property in response to an inquiry by the U.S. Internal Revenue Service as provided in Paragraph 4 of this Agreement. In the event that Christie's, any of its affiliates or any of their respective officers, directors, employees or agents is called upon to testify in any proceeding, litigation or dispute as a result of or in connection with the appraisal services contemplated hereby, Owner will indemnify Christie's for all reasonable costs and expenses of Christie's in connection therewith (including, without limitation, reasonable attorneys' fees and expenses) and pay to Christie's such reasonable compensation for the time of such officers, directors, employees and agents as may be specified by Christie's.
6. Owner hereby releases each of Christie's, Christie's Inc. and its affiliated companies, and their respective officers, directors, employees and agents (collectively, the "Christie's Parties") from any liability of any kind whatsoever arising out of, based upon or resulting from the appraisal of the Property and the services contemplated by this Agreement. Owner further agrees to defend, indemnify and hold harmless each of the Christie's Parties from and against any and all losses, damages, penalties, liabilities and claims, and all fees, costs and expenses of any kind related thereto (including, without limitation, reasonable attorneys' fees and expenses), arising out of or resulting from third party claims based upon or related to the appraisal of the Property and the services contemplated by this Agreement.
7. This Agreement shall be governed by and construed in accordance with the laws of the State of New York. In the event of any dispute hereunder, the parties hereby consent to the exclusive jurisdiction of the courts of the State of New York and the Federal Courts of the United States of America located in the Southern District of New York.
8. EACH OF CHRISTIE'S AND OWNER HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT AND FOR ANY COUNTERCLAIM THEREIN.

CHRISTIE'S APPRAISALS, INC.

Signature: 

NAME/Title: Sarah Vandeweerdt/Department Head

Accepted and agreed to by the City of Detroit:

Signature: 

NAME/Title: Kevyn D. ORR / EMERGENCY

EXHIBIT A

Exhibit A – Statement of Work

Phase I:

Statement of Work:

Approximately 300 of the 3,500 works of art purchased by the City of Detroit located at the Detroit Institute of Arts are on public view. Christie's will provide the City of Detroit with a fair market value appraisal for financial planning purposes of these works. Each work will be listed individually, assigned a fair market value, identified with the museum accession number and accompanied by a thumbnail image for identification purposes.

As our specialists will not have the opportunity to physically handle the works on view (e.g., inspect the reverse of paintings, review furniture construction, confirm maker's marks, etc.), our fair market values will be based on the apparent condition of the works as they are currently displayed; we will need to rely on the descriptions provided by the Detroit Institute of Art. Restrictions on handling property on public view are common and we are comfortable performing our valuation with these conditions.

Given our research, we believe the majority of the value of the art purchased by the City of Detroit is on public exhibition. Graham Beal has indicated that a few additional works of significant value may be in storage. Phase I will also include these easily identifiable, high valued works in storage.

Timing of Phase I:

Once the agreement is executed, we will begin scheduling visits to the DIA and anticipate completing Phase I within approximately 30 working days of the Christie's specialists having completed their on-site review.

Phase II & III:

Phase II Statement of Work:

In Phase II, we will provide a comprehensive, itemized appraisal of remaining art purchased by the City of Detroit located at the Detroit Institute of Arts in storage, or located in areas not accessible to the public, that have a fair market value of \$50,000 or higher. Each work will be listed individually, assigned a fair market value, identified with the museum accession number, and accompanied by a thumbnail image for identification purposes.

Phase III Statement of Work:

In Phase III, Christie's will determine an *aggregate* fair market value for the remaining items purchased by the City of Detroit that have an individual value of less than \$50,000. We will not provide an itemized listing but we will supply a list of museum accession numbers for the works comprising this group together with one aggregate figure indicating the fair market value for all the Phase III lots. Our specialists will inspect each of these works in person, make notes, and take photos for our internal use only.

Timing of Phase II & III:

Once all the specialists' visits for Phase II and III are complete, we anticipate a turnaround time of approximately 90 to 120 working days. Our proposed timing is based on the very large number of objects that our team will need to inspect and research plus full and easy access to the DIA storage and non-public areas.

Overall Cost:

Our professional fees for this project will be \$200,000 plus out-of-pocket expenses (e.g., travel). Given the number of specialists we anticipate visiting Detroit, out-of-pocket expenses could be as high as \$50,000. We will invoice our professional fees in three installments, one-third on signing the appraisal agreement, one-third when we complete Phase I, and the remaining amount when we complete Phase III. We will include as-incurred out-of-pocket expenses in our three invoices.